# EXHIBIT C (Revised 10-10-2013)

# **Scope of Preconstruction Services**

Preconstruction Services. The Company, the Engineer and consultants shall serve as the project team and shall meet with the City to fully understand the design documents, the project scope and all other pertinent aspects of the Project. During the preconstruction phase, the Company, though the Engineer, shall recommend in writing to the Engineer and City methods, techniques, systems, materials, and ideas which will maximize cost savings to keep the Guaranteed Maximum Streetscape Price for the Streetscape Improvements within the Streetscape Improvements Budget. The Company shall monitor development of design documents prepared by the Engineer in light of the Streetscape Improvements Budget, and shall monitor material, building system, equipment and labor costs. If in the course of such activities, the Company determines that material, building system, equipment or labor cost changes will significantly impact the then currently anticipated cost or scope for the Streetscape Improvements, the Company shall promptly inform the City and the Engineer of such change (and the reasons for the change), and recommend measures to contain cost so that the Streetscape Improvements Budget is not exceeded.

- 1.0 GENERAL RESPONSIBILITIES -- The Company, together with its Streetscape Contractor, shall consult with, advise, assist and make recommendations in writing to the Engineer and City in the preparation of the design criteria, the building program for the Streetscape Improvements and the step-by-step development of all plans, drawings and specifications for the Streetscape Improvements throughout each design phase. In performing such services, but without assuming design responsibility, the Company, together with its Streetscape Contractor, shall:
  - 1.1 review all design documents, and advise and make recommendations with respect to such factors as constructability; construction feasibility; cost impacts and possible economies; availability and utilization of materials, labor and equipment; time requirements for procurement and construction, and performance standards and maintenance expense upon completion;
  - **1.2** assist the Engineer and the other designated design professionals in the review of all sections of the plans and specifications to minimize areas of conflict and overlap in the work to be performed by the various trade contractors;
  - **1.3** review the drawings and specifications as they are being prepared, in order to advise and assist in the coordination thereof, the preparation of a release sequence thereof, the elimination of ambiguities and conflicts therein, and the avoidance of omissions and conflicts with applicable laws and regulations; and
  - **1.4** verify that the construction contract documents include requirements and assignment of responsibilities for (i) safety precautions and programs and

temporary project facilities for common use of the Streetscape Contractor, trade contractors and separate contractors and (ii) site coordination and staging and storage areas for common use of the Streetscape Contractor, Subcontractors and sub-subcontractors.

- **2.0** Consultation with the City During Preconstruction Services— The Company shall attend regularly all scheduled meetings and other meetings that may be required with the City, the Engineer, consultants, other design team members and stakeholders, to advise them on matters relating to site use, improvements, selection of materials, building methods, construction details, building systems and equipment, phasing and sequencing. While the services will be performed during the pre-construction phase, the advice will relate to matters that may arise during the pre-construction phase and during the construction phase. The Company shall provide written recommendations to the City on construction feasibility.
  - **2.1** The Company shall schedule and attend regularly scheduled meetings with the City and the Engineer for the review of the Project. These meetings shall be held at least monthly or more frequently at the City's request.
  - 2.2 The Company shall be responsible for providing written minutes of all meetings that occur in the pre-construction and construction phases, which are attended by the Company or the Company's appointed representative. Within three (3) business days after the meeting date the Company shall prepare the minutes of the meeting in MSWord software "DOC" file extension format, and shall transmit the minutes to the City, the Engineer, and other concerned parties.

## 3.0 LOGISTICS PLAN/JOB-SITE FACILITIES/ENCLOSURES

- **3.1** The Company shall develop a graphic logistics plan to help analyze the project site, define the flow of labor and materials into the site and reduce on- and off- site traffic impacts. The logistics plan will show construction phasing, locations of all temporary construction facilities, including hoists, offices, and scaffolding, refuse removal chutes, crane positioning, safety equipment, staging areas, temporary vehicle and pedestrian circulation plans, etc. The plan will also reference surrounding roads, parking, offices, stadiums and activities that may be affected. The logistic plan will attempt to maintain a smooth flow of material and labor around the job site and maintain an efficient project schedule.
- **3.2** The logistics plan must be provided on a timely basis within the design schedule and shall be continuously updated as the design is being developed; the first draft of the logistics plan shall be provided at the end of the Design Development Phase, in conjunction with required cost model deliverables.
- **3.3** The Company shall furnish arrange for all job-site facilities, equipment, utilities, and services necessary to enable the Company, the City, and the

Engineer to perform their respective duties as indicated by the Engineer in the Contract Documents.

- **3.4** The Company shall ascertain what temporary enclosures, if any, of building or Streetscape areas should be provided for and may be provided as a practical matter, in order to assure orderly progress of the work in periods when extreme weather conditions are likely to be experienced. The Company shall submit to the City and the Engineer the Company's recommendations as to needed requirements of this nature and as to the contract or contracts in which they should be included.
- **4.0 CONSTRUCTABILITY REVIEW** -- The Company shall be thoroughly familiar with the evolving Contract Documents through schematic design, design development, and contract document phases and shall make recommendations on construction feasibility and practicality to the Engineer and the City with respect to the selection of methods, materials, and systems and recommend cost reducing alternatives. The Company shall furnish pertinent information as to the availability of materials and labor that will be required. Constructability reviews shall be provided to the City and Engineer at the end of each design phase and in conjunction with the Logistics Plan (if required) and Cost Model
  - **4.1** Constructability review is defined as including but not limited to a review by the Company of all drawings, documents, engineering reports & studies, soil boring logs, environmental studies and reports, and specifications in order to minimize and reduce project related risks associated with interdisciplinary coordination in the design, scheduling requirements, sequencing and phase conflicts during construction, sub-trade schedule conflicts, completeness and clarity of contract documents, drawings and specifications to determine errors, document omissions, inconsistencies, change order potential, building code compliance, any local, state, or federal regulations, ADA/accessibility compliance, accessibility to site, availability of labor, review of proposed construction methods, contracting strategies, construction materials availability and cost, procurement management strategies to reduce costs and avoid escalation, fabrication requirements, and delivery times.
  - **4.2** Constructability review shall also consist of the identification and estimate of costs in order to determine whether the Streetscape Improvements Budget is sufficiently funded in order to account for reasonably anticipated or commonly encountered construction risks; the Company shall adequately budget allowances and / or contingencies to mitigate risks that might reasonably be expected during the construction of the Streetscape Improvements; those contingencies and allowances shall be part of the Guaranteed Maximum Streetscape Price.
  - **4.3** The Company shall promptly notify the City and the Engineer in writing upon observing any features in the design that appear to be ambiguous, confusing,

conflicting or erroneous, or otherwise have the potential to impact the schedule, budget or quality of construction during the construction phase.

#### 5.0 CONSTRUCTABILITY INFORMATION PROVIDED BY CITY

- **5.1** In the pre-construction phase, the City shall furnish to the Company all individual Streetscape Improvements site surveys, geotechnical reports, subsurface investigations, legal limitations, utility locations, a legal description, information, reports, drawings and tests required by law and or herein with reasonable promptness at the City's expense.
- **5.2** Any information provided by the City and made available to Company is subject to the following provisions: The information is made available for the convenience of the Company and is not a part of the Contract Documents. The City has not determined the accuracy or completeness of such information, and all such information is made available to the Company without any representation or warranty by the City whatsoever as to its accuracy, completeness, or relevancy. The Company shall independently evaluate such information for its use and shall be solely responsible for use or interpretation of such information. Any use or interpretation shall not be the basis of any claim against City.

#### 6.0 CONSTRUCTION COST MODEL/ESTIMATES

- **6.1** The Company shall develop a project budget / cost model (independent from all cost estimates prepared by the Engineer such as the statement of probable construction costs) which shall be updated at the end of each design phase to include conceptual design, schematic design, design development and construction documents during which the Company is performing preconstruction services (hereinafter referred to as the "Company Cost Model Update").
- **6.2** The Company shall prepare and submit the construction cost model and all subsequent updates within ten (10) days after the Engineer's completion of the design documents for each phase (or within such reasonably longer period of time as agreed to by the Company, the Engineer and the City): schematic design phase estimate, design development phase estimate, 50% construction document phase estimate and a Guaranteed Maximum Streetscape Price proposal (based on 100% construction documents) pursuant to Section 10.0 below. Each estimate shall consist of the following documents:
  - .1 In the preparation of each statement of construction cost, Company shall thoroughly review all available project documentation, make detailed take-offs and price the work, consult with qualified subcontractors as

required (without cost unless authorized by City), visit the site and refer to Company's experience on similar projects.

- .2 If applicable, a comparative summary with the previous estimate, along with detailed rationale for any changes.
- .3 List of allowances (and the basis for each allowance).
- .4 List of alternates with the corresponding decision dates.
- .5 Assumptions, clarifications and exclusions. Company shall submit clarifications of the scope of work which will allow City and Engineer to clearly understand the scope of the estimate. These clarifications will address each line item of the estimate as to inclusions, exclusions, variation from the design documents, etc.
- **.6** Listing of all applicable contract documents (i.e., drawings, specifications, studies and the like).
- .7 Project schedule which complies with the Contract Documents.
- .8 Site Logistics Plan.
- .10 List of all constructability issues.
- **6.3** The Company cost model and all subsequent updates shall be in a CSI trade format, or other suitable format as agreed upon by the City. The Company shall specifically identify any escalation factors included (and the corresponding rationale).
- **6.4** The Company cost model update must contain an itemized statement of the total amount determined to be paid by the City, through the Company, for the construction of the Streetscape Improvements (including cost of work, alternates, indirect or overhead costs, fees, and the Company's construction contingency) in accordance with the Streetscape Improvements design program. The Company cost model update shall be compared against the Streetscape Improvements Budget to determine whether it is sufficient to complete the design program and account for reasonably expected construction issues/project risks. Additionally this budget comparison shall set out all required fees, reserves, contingencies, and usual and customary project related expenses in order to reflect the total anticipated cost of Streetscape Improvements.
- **6.5** Meetings and negotiations between the City, Engineer and the Company will be held to resolve questions and differences that may occur between the Engineer's probable construction costs and the Company's cost model update.

The Company shall work with the City and Engineer to reach a mutually acceptable joint probable construction cost. The Company shall then issue a final, reconciled estimate which includes detailed minutes of any reconciliation meetings, as well as detailed narrative of the rationale for any remaining differences.

- **6.6** In the event that the Company cost model update and/or the Engineer's statement of probable construction costs exceed the Streetscape Improvements Budget, the Company shall work in conjunction with the Engineer to redesign the Streetscape Improvements as necessary to maintain the Project design program within the Streetscape Improvements Budget without additional compensation.
- **6.7** In the event that the Company's cost model statement or cost model update is greater than the Streetscape Improvements Budget due to Company's estimating errors, lack of reasonable efforts to maximize Subcontractor competition, or other reasons within the control of the Company, the Company, if requested by the City, shall provide continuing preconstruction services as described in this Exhibit at no additional cost to the City until the Company submits a revised cost model that does not exceed the Streetscape Improvements Budget. In such cases, the Company may also be responsible for all of the Engineer's redesign and other associated costs.
- **6.8** The Company acknowledges that it is expected that the Streetscape Improvements Budget will not change throughout the duration of the Project. The Streetscape Improvements Budget may be modified only in writing by the City and may result in an adjustment to the Streetscape Improvements Budget where there may be a change to the Streetscape Improvements description.
- **6.9** The Company cost model update and the Engineer's probable construction costs will be reviewed by the Engineer and the City for reasonableness and compatibility with the Streetscape Improvements Budget.
- **6.10** The Company shall clearly identify and track items of changed scope at each phase of design and cost estimate.

## 7.0 COORDINATION OF CONSTRUCTION DOCUMENTS

- **7.1** The Company shall review all drawings and specifications as they are being prepared, recommending alternative solutions whenever design details affect costs, construction feasibility or schedules. The Company shall notify the Engineer and the City in writing upon observing any features in the drawings or specifications which appear to be ambiguous, confusing, conflicting or erroneous.
- **7.2** The Company shall provide a thorough interdisciplinary coordination review, performed by qualified personnel, of the construction drawings and specifications utilizing a structured and industry accepted process. The Company shall provide

the City with all review comments and review the final documents to see that all comments have been incorporated.

7.3 The Company shall verify that all constructability issues have been incorporated into the final approved plans and included in the Guaranteed Maximum Streetscape Price. All ambiguous, confusing, conflicting and/or erroneous features discovered or that reasonably should have been discovered in the plans or specifications by the Company during the review process shall be deemed to be corrected, and any associated costs shall be included in the Guaranteed Maximum Streetscape Price.

# 11.0 GUARANTEED MAXIMUM STREETSCAPE PRICE

11.1 Offer of Guaranteed Maximum Streetscape Price Proposal by Company -- When the Drawings and Specifications for the Streetscape Improvements are 100% complete, the Company shall propose a Guaranteed Maximum Streetscape Price for the Streetscape Improvements, which shall be the total cost of completion of Construction Work for the Streetscape Improvements. The Guaranteed Maximum Streetscape Price does not include such things as changes in scope, systems, kinds and quality of materials, finishes or equipment which may be incorporated by Change Order. The Guaranteed Maximum Streetscape Price may not exceed the Streetscape Imporvements Budget.

- **11.2** Basis of the Guaranteed Maximum Streetscape Price Offer -- The Company shall include with the Guaranteed Maximum Streetscape Price offer for the Streetscape Improvements a written statement of its basis, which shall include:
  - .1 A list of the Drawings and Specifications and reports, including all addenda thereto and the conditions of the contract, which were used in preparation of the Guaranteed Maximum Streetscape Price offer.
  - .2 A list of allowances and a statement of their basis.
  - .3 A list of the clarifications and assumptions made by the Company in the preparation of the Guaranteed Maximum Price offer to supplement the information contained in the Drawings and Specifications.
  - .4 The proposed Guaranteed Maximum Price, including an itemized statement of the cost organized by trade categories, allowances, contingency, and other items; indirect or overhead costs; the Company's construction contingency; and the Streetscape Contractor's Fee that together sum to the Guaranteed Maximum Price. The Company shall provide a detailed summary of the indirect or overhead costs and Company's contract contingency, which cost and contingency shall be agreeable to the City. The Guaranteed Maximum Price shall exclude

reimbursable sales tax and use tax as explained in Exhibit C-1, attached hereto.

- .5 Critical path method schedule for the work and a schedule of the Construction Documents issuance dates for the Streetscape Improvements; the Date of Substantial Completion for the Streetscape Improvements shall be clearly indicated. This schedule shall be the basis of the Guaranteed Maximum Streetscape Price.
- .6 The date on or before which the City can accept the Guaranteed Maximum Streetscape Price without further written acceptance by the Company. It shall be good for at least 60 days to allow time for required review and approval.
- 11.3 Evaluation of Guaranteed Maximum Streetscape Price-- The Company shall meet with the City and Engineer to review the Guaranteed Maximum Streetscape Price offer and the written statement of its basis. In the event that the City or Engineer discovers any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Company, who shall make appropriate adjustments to the respective Guaranteed Maximum Streetscape Price offer, its basis, or both. The Company shall cause the Engineer to revise the Drawings and Specifications to the extent necessary to reflect the agreed-upon assumptions and clarifications made during the evaluation of the Guaranteed Maximum Streetscape Price offer. Such revised Drawings and Specifications shall be furnished to the both the City and the Company in accordance with schedules agreed to by the City, Engineer and Company. The Company shall promptly notify the Engineer and City if such revised Drawings and Specifications are inconsistent with the agreed-upon assumptions and clarifications. The revised drawings, specifications or contract conditions shall be incorporated into written basis for the Guaranteed Maximum Streetscape Price which shall be updated to reflect those changes.
- 11.4 Acceptance of the Guaranteed Maximum Price Offer—The City Manager shall be authorized by the City Council to review, approve and accept the Guaranteed Maximum Streetscape Price offer based upon a determination that the price is a reasonable price for the Streetscape Improvements; however, the City reserves the right to solicit competitive estimates, bids or proposals.
- 11.5 Expiration of the Acceptance Period-- Unless the City Manager accepts the Guaranteed Maximum Streetscape Price offer on or before the date specified in the offer for such acceptance and so notifies the Company, the Guaranteed Maximum Streetscape Price offer shall not be effective beyond the date specified in the offer without written consent of the Company.